

EXHIBIT 1-SIU

CORPORATE INTEGRITY AGREEMENT SOUTHERN ILLINOIS UNIVERSITY SCHOOL OF MEDICINE

I. Preamble

Southern Illinois University (SIU) on behalf of its School of Medicine has agreed to continued implementation of a Corporate Integrity Program (the Program) to prevent fraud, abuse, and false billing to Medicare and Medicaid by SIU, its employees, and its faculty physicians, who serve as members of SIU's clinical faculty practice plan. The Program shall include the provisions listed below in addition to the policies, procedures and guidelines summarized in Attachment 1 attached hereto and incorporated herein by reference. The Program shall be maintained so as to ensure, to the extent reasonably possible, that SIU and each of its officers, employees and faculty physicians maintain the business integrity required of a participant in federally-funded health care programs, and that SIU's delivery of medical care is in compliance with all laws and regulations applicable to such Programs and with the terms set forth below.

II. Certification and Report Requirements

The period of future compliance obligations assumed by SIU under this Agreement shall be three (3) years from the date of execution of this Agreement. The annual submissions required under this Agreement shall be submitted on the anniversary date of the execution of this Agreement. All reports and notifications required under this Agreement shall be sent to:

ATTN: Office of Counsel to the Inspector General
Civil Recoveries Branch - Compliance Unit
Office of Inspector General
U.S. Department of Health and Human Services
Cohen Building Room 5527
330 Independence Avenue, S.W.
Washington, D.C. 20201
(202) 619-2078

The Program shall be approved by the Office of Inspector General, Office of Counsel to the Inspector General, and implementation shall be complete within ninety (90) days of the date of the execution of this Agreement.

A. Corporate Compliance Committee

A corporate officer, appointed by the President of SIU shall be appointed as the Compliance Officer and shall be responsible for the Corporate Integrity Program. The

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Compliance Officer shall submit annual reports (or more frequent, if circumstances require) to the Board of Directors of SIU and to the HHS/OIG Office of Counsel to the Inspector General, Civil Recoveries Branch.

B. Billing Procedures

SIU shall conduct internal reviews of claims submitted to Medicare and Medicaid for reimbursement as more fully set forth in Attachment 1, paragraph 3-C attached hereto. SIU shall review on an annual basis the billing policies, procedures and practices of all SIU health care facilities and providers. The reviews shall be aimed at ensuring that the federally-funded health care programs are billed appropriately for services which are rendered as claimed. SIU will provide the United States and the HHS/OIG, Office of Counsel to the Inspector General with copies of all reports required under this Agreement.

If, during the course of its annual review, SIU discovers any material violations of federal law or regulations concerning its practices, SIU will promptly report such material violation. Any material violation is one which has a significant, adverse impact on the Medicare and/or Medicaid program. The report to HHS/OIG will include (a) its findings concerning any such material violations, including proof that any overpayment has been refunded, (b) its actions to correct such material violations, and (c) any further steps it plans to take to address such material violations and prevent them from recurring in the future. A corrective action plan to remedy the material violation shall be in place within forty-five (45) days. Failure to submit a report notifying HHS/OIG of the material violation would be a material breach of this Agreement.

C. Corporate Integrity Policy

Pursuant to this Agreement, SIU shall implement written policies as more fully set forth in Attachment 1, attached hereto, regarding its commitment to accurate billings consistent with published Medicare and Medicaid regulations and procedures.

SIU shall post in a prominent place in each of its clinical facilities, a notice detailing its commitment to comply with all applicable Medicare and Medicaid laws and regulations in the conduct of its business. A copy of the policies and notice will be available upon request, for review by HHS/OIG.

D. Information and Education

SIU shall institute and maintain an information and education Program designed to ensure that each of its clinical employees and faculty physicians is aware of all applicable Medicare and Medicaid laws, regulations, and standards of business conduct that such individual is expected to follow and the consequences both to the individual and SIU that

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will ensue from any violation of such requirements.

SIU shall also implement a training Program for its faculty physicians and clerical employees involved in preparing Medicare and Medicaid bills through SIU as set forth in Attachment 1, attached hereto. SIU shall certify that such training has been provided, and set forth generally the format, dates, and materials provided in its annual report to HHS/OIG.

E. Confidential Disclosure Program

SIU shall establish a confidential disclosure Program enabling employees to disclose any Medicare or Medicaid billing practices or procedures deemed by the employee to be inappropriate, to an identified individual not in that employee's direct chain of command. SIU shall, as part of the Program, require the internal review of any such disclosure and ensure that proper follow-up is conducted. SIU shall include in its annual report to HHS/OIG a summary of communication concerning potentially inappropriate Medicare or Medicaid billings under the confidential disclosure Program, and the results of any internal review and follow-up of such disclosures.

F. Dealing with Excluded or Convicted Persons or Entities

SIU shall implement a written internal operating policy that SIU School of Medicine shall not knowingly employ, with or without pay, an individual or entity that is listed by a federal agency as debarred, suspended or otherwise ineligible for federal Programs. In order to carry out the policy, SIU shall make reasonable inquiry into the status of any potential employee or consultant. Such reasonable inquiry shall include, at a minimum, review of the HHS/OIG Cumulative Sanctions Report (Internet Address: [HTTP://WWW.DHHS.GOV/PROGORG/OIG](http://WWW.DHHS.GOV/PROGORG/OIG)) and the GSA List of Parties Excluded from Federal Procurement and Non-Procurement Programs (Internet address: [HTTP://WWW.ARNET.GOV/EPLS](http://WWW.ARNET.GOV/EPLS)).

SIU's policy does not require SIU to terminate the employment of individuals who become suspended or are proposed for debarment during their employment with SIU. SIU, however, will remove such employees from responsibility for, or involvement with, SIU's Medicare or Medicaid billing and reimbursement functions until the resolution of such suspension or proposed debarment. In addition, if any employee of SIU School of Medicine is charged with a criminal offense relating to its Medicare or Medicaid business, SIU will remove that employee immediately from responsibility for or involvement with SIU's Medicare or Medicaid billing and reimbursement functions. Conviction or debarment will be deemed just cause for discharge from employment with SIU. SIU shall notify HHS/OIG of each such personnel actions taken and the reasons therefore, within fifteen (15) days of the action.

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SIU shall not allow, or cause to be allowed, any person convicted in any local, state or federal court of any felony involving health care matters to hold the position of operating officer of SIU School of Medicine.

III. OIG Inspection, Audit and Review Rights

In addition to any other right that HHS/OIG may have by statute, regulation, contract or pursuant to this Agreement, HHS or its duly authorized representative(s) may examine SIU's books, records, and other company documents and supporting materials for the purpose of verifying and evaluating: (a) SIU's compliance with the terms of this Agreement; (b) the business conduct of the SIU School of Medicine in its dealing with the United States Government, or any agencies or agents thereof; and (c) SIU's compliance with the billing and reimbursement requirements of the Medicare and Medicaid Programs and other federally-funded health care programs. The documentation described above shall be made available by SIU at all reasonable times for inspection, audit or reproduction. Furthermore, for purposes of this provision, HHS or its authorized representative(s) may interview any SIU employee who consents to be interviewed at the employee's place of business during normal business hours or at such other place and time as may be mutually agreed upon between the employee and HHS. Employees may elect to be interviewed with or without a representative of SIU present.

IV. Document and Record Retention

SIU shall maintain for inspection documents and records relating to its Medicare and Medicaid billing and reimbursements for a period of four (4) years following the execution of this Agreement.

V. Breach and Default Provisions

SIU's compliance with the terms and conditions of this Agreement shall constitute an element of SIU's present responsibility with regard to participation in federally-funded health care programs. SIU's failure to meet any of its obligations pursuant to the terms and conditions of this Program constitutes a separate cause for exclusion.

In the event that HHS/OIG believes SIU has breached one or more of its obligations under the Agreement, HHS/OIG will notify SIU of the alleged breach by certified mail, specifying the circumstances of the alleged breach. SIU will have thirty (30) days from receipt of the notice to cure said breach or otherwise satisfy the government that it is in full compliance with this Agreement.

If, at the end of the thirty (30) day period described above, HHS/OIG determines that SIU continues to be in breach of one or more of its obligations under this Agreement, HHS/OIG may declare SIU to be in default and exclude SIU from participation in the Medicare, Medicaid and all

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other Federal health care programs, as defined in section 1128B(f) of the Social Security Act (42 U.S.C. § 1320a-7b(f)) until such time as the breach is cured.

Upon notification by HHS/OIG of its intent to exclude, SIU is entitled to the due process afforded a provider under 42 U.S.C. section 1320a-7(f). Notwithstanding any provision of Title 42 of the United States Code or Chapter 42 of the Code of Federal Regulations, the only issues in a proceeding for exclusion based on a breach of this Agreement shall be (1) whether SIU was in breach of one or more of its obligations under this Agreement, as specified in the notice given to SIU, and (2) whether such breach was continuing on the date on which HHS/OIG notified SIU of its proposal to exclude.

VI. Costs Related to Compliance Plans

In addition to the obligations assumed by SIU under the Agreement and as described above, if HHS/OIG determines that it is necessary to conduct an independent audit or review to determine whether or to the extent to which SIU is complying with its obligation under this Agreement, SIU agrees to pay for the reasonable cost, not to exceed \$100,000, of any such audit or review.

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Date

1/8/98

Date

2/2/98

Date

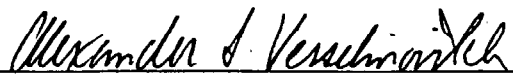
2/18/98


Lewis Morris

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